

DEPARTMENT OF VETERAN AFFAIRS

Justification and Approval




For

Other Than Full and Open Competition

1. **Contracting Activity:** Department of Veteran Affairs, VISN 21, Contracting Office, proposes on the basis of justification for other than full and open competition for the VA Sierra Pacific Network (VISN 21). The purchase request number is 612-14-1-476-0002.

2. **Nature and/or Description of the Action Being Processed:** This is a request to enter into a firm-fixed price contract for other than full and open competition for services, support and software updates for the existing PowerScribe 360 system in VISN 21. PowerScribe 360 is voice recognition software used by the medical industry to provide radiologists the capability to dictate the results of patient's care, ensuring accurate and timely treatment is provided.

3. **Description of Supplies/Services Required to Meet the Agency's Needs:**

The procurement is for Nuance Communications, Inc. (Nuance), One Wayside Road, Burlington, MA, 01803, to provide services, support and software updates for PowerScribe 360, a voice recognition driven reporting system used by all Radiology departments in the VISN. Nuance is the Original Equipment Manufacturer (OEM) for PowerScribe 360. The estimated value is \$ (base year plus two option years).

4. **Statutory Authority Permitting Other than Full and Open Competition:**

- (X) (1) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1;
() (2) Unusual and Compelling Urgency per FAR 6.302-2;
() (3) Industrial Mobilization, Engineering, Developmental or Research Capability or Expert Services per FAR 6.302-3;
() (4) International Agreement per FAR 6.302-4;
() (5) Authorized or Required by Statute per FAR 6.302-5;
() (6) National Security per FAR 6.302-6;
() (7) Public Interest per FAR 6.302-7;

5. **Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):**

The authority cited in paragraph 4 must be used because Nuance is the OEM and the sole firm which is capable of servicing and providing software updates to the PowerScribe 360 system utilized throughout VISN 21. Nuance has provided a written statement (see Attachment 1) confirming that they are the only source certified to perform any services on this system. The




1 of 3

612-14-1-476-0002

software provided is proprietary to Nuance. The VISN has used the PowerScribe system for Radiology since 2005 and has upgraded to PowerScribe 360, which creates the sole source environment for only OEM support. The alternative would be to replace the current system, which would have a significant impact to the Radiology operation since the deployment timeline for a new voice recognition system of this complexity is generally in excess of 12 months. A project of that nature would consume hundreds of hours in activation planning, and would be cost prohibitive. Award to any other source would result in substantial duplication of cost to the government that is not expected to be recovered through competition. Furthermore, another source would impact the VISN's ability to deliver timely diagnostic interpretations and lead to unacceptable delays thus impacting patient care.

6. Description of Efforts Made to Ensure that Offers are Solicited from as Many Potential Sources as Deemed Practicable: This requirement will be synopsised on FBO. Only Nuance as the OEM can provide the required services.

7. Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable: The anticipated price to the Government is  (base year plus two option years). A determination of fair and reasonable pricing will be made on the basis of comparisons to historical data to similar procurements to the government.


8. Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted: Since Nuance is the OEM for the PowerScribe 360 application, and the sole entity with access to the proprietary code of the product, alternatives do not exist in the marketplace that can provide both licensed updates to the application and ongoing support and maintenance for the application. Therefore, no market research was conducted.

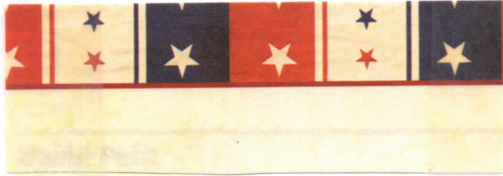
9. Any Other Facts Supporting the Use of Other than Full and Open Competition: None.

10. Listing of Sources that Expressed, in Writing, an Interest in the Acquisition: None. See paragraph 6.

11. A Statement of the Actions, if any, the Agency May Take to Remove or Overcome any Barriers to Competition before Making Subsequent Acquisitions for the Supplies or Services Required: Nothing can be done because only Nuance as the OEM can maintain the current voice recognition system at the VISN's facilities. This requirement is critical to the operation of the Radiology Departments within the VISN.

12. Requirements Certification: I certify that the requirement outlined in this justification is a Bona Fide need of the Department of Veteran Affairs and that the supporting data under my cognizance, which are included in the justification, are accurate and complete to the best of my knowledge and belief.

 612-14-1-476-0002
2 of 3



Chief Healthcare Technology Manager V21\NTP

4/16/2014

Date

13. Approvals in accordance with FAR 6.304

Contracting Officer's Certification (required): I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.



Contracting Officer
NCO 21

16 April 2014

Date

Supervisor Concurrence (Required \$3K and above): I certify the justification meets requirements for other than full and open competition.



Senior Supervisory Contract Specialist
NCO 21

4/18/2014

Date



612-141-476-0002

3 of 3